Introduced by Committee on Jobs, Economic Development, and the Economy (V. Manuel Perez (Chair), Logue (Vice Chair), Beall, Bill Berryhill, Block, and Salas)

March 25, 2010

An act to add the heading of Chapter 1 (commencing with Section 99500) to Title 20 of, to add Chapter 2 (commencing with Section 99600), Chapter 3 (commencing with Section 99700), and Chapter 4 (commencing with Section 99800) to Title 20 of, to repeal Section 99803 of, to repeal Chapter 4 (commencing with Section 6300) of Division 7 of Title 1 of, and to repeal Chapter 8 (commencing with Section 8700) and Chapter 8.1 (commencing with Section 8710) of Division 1 of Title 2 of, the Government Code, relating to international relations.

LEGISLATIVE COUNSEL'S DIGEST

AB 2799, as introduced, Committee on Jobs, Economic Development, and the Economy. International relations.

Existing law authorizes any public corporation, as defined, and specified private corporations to apply for the privilege of establishing, operating, and maintaining a foreign trade zone in accordance with federal law, and provides that any public or private corporation whose application is granted pursuant to federal law is authorized to establish, operate, and maintain a foreign trade zone, subject to specified conditions.

Existing law establishes the Office of California-Mexico Affairs to serve as a clearinghouse for information and assistance to other state AB 2799 — 2 —

agencies involved with Mexico, and to develop favorable relations with Mexico.

Existing law establishes the California-Mexico Border Relations Council to consist of specified state officials. The duties of the council include, among other things, coordinating activities of state agencies that are related to cross-border programs, initiatives, projects, and partnerships that exist within state government. The council is required to annually submit a report on its activities to the Legislature.

This bill would recodify and reorganize the above provisions. The bill would also repeal the council reporting requirement on January 1, 2015.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Chapter 4 (commencing with Section 6300) of Division 7 of Title 1 of the Government Code is repealed.
- 3 SEC. 2. Chapter 8 (commencing with Section 8700) of Division 4 1 of Title 2 of the Government Code is repealed.
- 5 SEC. 3. Chapter 8.1 (commencing with Section 8710) of 6 Division 1 of Title 2 of the Government Code is repealed.
 - SEC. 4. The heading of Chapter 1 (commencing with Section 99500) is added to Title 20 of the Government Code, to read:

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CHAPTER 1. GENERAL PROVISIONS

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SEC. 5. Chapter 2 (commencing with Section 99600) is added to Title 20 of the Government Code, to read:

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Chapter 2. Foreign Trade Zones

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99600. As used in this chapter, "public corporation" means the state, any political subdivision thereof, any incorporated municipality therein, any public agency of the state, of any political subdivision thereof, or of any municipality therein, or any corporate municipal instrumentality of this state or of this state and one or more other states.

23 99601. As used in this chapter, "act of Congress" means the act of Congress approved June 18, 1934, entitled "An act to provide

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for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes" (19 U.S.C. Sec. 81a et seq.).

99602. Any public corporation may apply for the privilege of establishing, operating, and maintaining a foreign trade zone in accordance with the act of Congress.

99603. Any private corporation organized under the laws of the state subsequent to September 15, 1935, for the purpose of establishing, operating, and maintaining a foreign trade zone in accordance with the act of Congress may apply for the privilege of establishing, operating, and maintaining a foreign trade zone in accordance with the act of Congress.

99604. Any public or private corporation authorized by this chapter to apply for the privilege of establishing, operating, and maintaining a foreign trade zone and whose application is granted pursuant to the terms of the act of Congress may establish, operate, and maintain a foreign trade zone:

- (a) Subject to the conditions and restrictions of the act of Congress, and any amendments thereto.
- (b) Under these rules and regulations and for the period of time that may be prescribed by the board established by the act of Congress to carry out the provisions of the act.
- 99605. If authorized to establish, operate, and maintain a foreign trade zone, a public corporation may, in addition to its other powers:
- (a) Provide for indemnity or assurance to the United States or its agencies as they may request.
- (b) Deposit these sums of money with the United States as the United States or its agencies may request, providing these moneys are available for that purpose by direct appropriation or otherwise.
- SEC. 6. Chapter 3 (commencing with Section 99700) is added to Title 20 of the Government Code, to read:

CHAPTER 3. OFFICE OF CALIFORNIA-MEXICO AFFAIRS

99700. The Legislature finds and declares the following:

(a) The United States and Mexican economies have become increasingly integrated, particularly since the 1994 adoption of the North American Free Trade Agreement, or NAFTA.

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 (b) This integration has brought both California and Mexico opportunities and challenges in the areas of economic development, labor relations, and environmental protection.

- (c) The California Office of the Southwest Border Regional Conference (formerly commission) was established as part of a joint American border states effort to further and develop favorable relations with the six Mexican border states.
- (d) The efforts of the California office of the conference continue to be an essential part of California's interaction with Mexico.
- (e) It is important for the state and for the nation that state agencies continue to address important United States-Mexico issues.
- (f) The Office of California-Mexico Affairs provides a focal point in state government to serve as a clearinghouse for information and assistance to other state agencies which are involved with Mexico.
- 99701. The following definitions shall govern the construction of this chapter:
- (a) "Conference" means the Southwest Border Regional Conference.
 - (b) "Office" means the Office of California-Mexico Affairs.
- 99702. (a) There is in state government an Office of California-Mexico Affairs. Within this office the operations of the California Office of the Southwest Border Regional Conference shall be continued.
- (b) The office succeeds to and is vested with all the duties, powers, purposes, and responsibilities vested in the California office of the conference and previously vested in the Commission of the Californias.
- (c) The office shall have possession and control of all records, papers, offices, equipment, supplies, moneys, funds, appropriations, land, and other property, real or personal, held for the benefit or use of the California office of the conference, or previously held for the benefit or use of the commission, in the performance of the duties, powers, purposes, responsibilities, and jurisdiction of the California office of the conference or the commission.
- 99703. The members of the Southwest Border Regional Conference shall be the Governors of the four American border states. The California member of the conference is the Governor of California or his or her designee.

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99704. The office shall further and develop favorable relations with the State of Baja California, the State of Baja California Sur, other Mexican states bordering on the United States, and the remaining states and territories of the Republic of Mexico necessary for the completion of the office's tasks. The office shall cooperate with similar organizations and agencies situated within California, the United States, or Mexico, to further economic development, improve working conditions and living standards, and foster the protection and improvement of the environment in Mexico and California. The office shall avail itself of the services of the San Diego State University, which is engaged in educational, cultural, and research activities with Mexico. The office shall be responsible for carrying out the ongoing responsibilities of the Southwest Border Regional Conference.

 99705. The Governor shall appoint a director of the office. The director may appoint and employ any personnel whom he or she deems necessary to carry out the functions of the office. The office may incur all necessary expenses to effectuate its purposes and may accept grants from federal and state agencies. The office may also accept funds from private organizations or individuals in order to assist it in the accomplishment of its functions as set forth in this chapter.

99706. Members and employees of the office may travel outside of California and may hold hearings and conduct investigations within and outside of the state whenever necessary to carry out the duties set forth in this chapter. Members and employees may acquire any available information from any governmental agency within the United States or Mexico necessary to the completion of their tasks.

99707. The office shall be responsible for the establishment of committees in those topic areas deemed necessary by the director. Recommendations of the committees shall not be binding on the Governor or the Legislature but shall only be advisory in nature.

SEC. 7. Chapter 4 (commencing with Section 99800) is added to Title 20 of the Government Code, to read:

CHAPTER 4. CALIFORNIA-MEXICO BORDER RELATIONS COUNCIL

99800. The following definitions shall apply to this chapter:

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(a) "Border" means the line of demarcation between California and Mexico.

- (b) "Council" means the California-Mexico Border Relations Council.
- (c) "Public agency" means a city, county, city and county, district, or the state or any agency or department of the state.
- 99801. (a) The California-Mexico Border Relations Council is hereby established in state government. The council shall consist of the Secretary of the Natural Resources Agency, the Secretary for Environmental Protection, the Secretary of California Health and Human Services, the Secretary of Business, Transportation and Housing, the Secretary of Food and Agriculture, and the Secretary of California Emergency Management.
- (b) The Secretary for Environmental Protection shall chair the council.
 - 99802. The council shall do all of the following:
- (a) Coordinate activities of state agencies that are related to cross-border programs, initiatives, projects, and partnerships that exist within state government, to improve the effectiveness of state and local efforts that are of concern between California and Mexico.
- (b) Establish policies to coordinate the collection and sharing of data related to cross-border issues between and among agencies.
- (c) Identify and recommend to the Legislature changes in law needed to achieve the goals of this section.
- 99803. (a) Beginning January 1, 2008, the council shall submit a report to the Legislature on the council's activities annually.
- (b) (1) A report submitted pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.
- 31 (2) Pursuant to Section 10231.5 of the Government Code, this section is repealed on January 1, 2015.